

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SHIRLEY J. BELLOWS	)	
	)	
COMPLAINANT	)	
	)	
VS.	)	CASE NO. 93-183
	)	
KENTUCKY-AMERICAN WATER COMPANY	)	
	)	
DEFENDANT	)	

O R D E R

On May 12, 1993, Shirley J. Bellows filed a complaint against Kentucky-American Water Company ("Kentucky-American") alleging that she had been over-billed for service. The Commission by Order of May 19, 1993 directed Kentucky-American to either satisfy the matters complained of in the complaint or file an answer. On May 28, 1993, Kentucky-American responded to the Order by submitting copies of all information in its files pertaining to the complaint.<sup>1</sup> A hearing was held on the complaint before the Commission on August 10, 1993 at which both parties appeared but only Kentucky-American was represented by counsel.

FINDINGS OF FACT

Kentucky-American owns, controls, and operates facilities used in diverting, pumping, distributing, and furnishing water to the

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<sup>1</sup> Although Kentucky-American did not file an answer as directed by the Commission's Order, its manner of response was construed as a denial of the principal allegations made in the complaint.

public for compensation. Its principal offices are located in Lexington. Bellows is a customer of Kentucky-American who resides in Lexington.

Kentucky-American bills its customers quarterly based on the volume of water they consume. The volume is measured by individual water meters assigned to each customer. Kentucky-American tests each meter periodically to ensure its accuracy.

In January of this year Bellows received a water bill for \$832.73. The bill, which was approximately \$800.00 higher than her normal bill, was based on consumption of 574 hundred cubic feet (ccf) of water consumed during the period of October 5, 1992 through January 6, 1993. Bellows leases the house from its owners, Mr. and Mrs. Porter Thomas, and she has lived there since July 1991. Prior to January 1993, Bellows' quarterly consumption ranged from 11 ccf to 19 ccf with an average quarterly consumption of 13.4 ccf. For the two quarters immediately following the January billing, Bellows quarterly consumption was 24 ccf and 13 ccf respectively.

Bellows' home is a four bedroom, two and one half bath with a basement. During the period in question, four people resided in the house. According to Kentucky-American, the expected usage for such a house is 25 ccf.

After the Bellows' meter was read in January and the abnormal usage noted, Kentucky-American issued a "red tag order." Red tag orders are issued whenever the company gets a reading which is larger than a predetermined range for that customer. The red tag

order was issued on January 7, 1993 the day after the meter was read. A service employee of the company was sent to the Bellows residence to re-read the meter and inspect for leaks. The inspector found no evidence of any leaks at the meter and no water flowing through the meter. No one was home at the time of the inspection, but the absence of water flowing through the meter indicated that water was not leaking beyond the meter.

On January 20 and February 11, 1993, two more inspections were made. The inspection on January 20 was made at the request of the owners of the property and the inspection on February 11, 1993 was made at the request of Bellows. Again, no leaks were found at the meter and no water was flowing through the meter.

On February 17, 1993, the Bellows' meter was removed for testing. The meter was tested at one quarter, two, and fifteen gallons per minute. According to the test the meter registered 101 percent, 101 percent, and 99.2 percent, which are within accepted standards of accuracy prescribed by Commission regulations.

Following the meter tests, Kentucky-American made two more inspections for leaks. On one of those occasions its service personnel inspected the plumbing and appliances in the residence. The only evidence of a leak was found around the water heater which had been installed as a replacement in December. The previous water heater, however, was replaced the day after it was discovered to be leaking and would not account for the excessive usage recorded.

In addition to Kentucky-American, inspections were made by a plumber employed by the property owner. Like the inspections by Kentucky-American, the plumber's inspection revealed no leaks.

#### CONCLUSIONS OF LAW

Kentucky-American is a utility subject to the jurisdiction of this Commission. As a utility it is required to charge its customers for all water delivered to them through its meters. The question here is whether the volume of water registered on the meter was used by Bellows. After weighing all the evidence the most reasonable conclusion is that it was not and that Bellows quarterly bill should be adjusted.

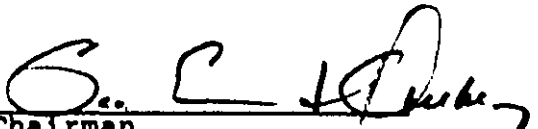
Of particular significance, is the lack of any evidence of a leak after the abnormal reading was discovered. According to her meter, Bellows consumed 57400 cubic feet of water or approximately 430,000 gallons over a 90-day period. That translates to 3.3 gallons per minute. It is not conceivable that a leak producing that large a volume of water would occur, take place undetected, and then disappear. Therefore, while the cause for the excessive reading is not known, it should not be attributed to a leak in the Bellows' residence and the Bellows' bill for the period should be adjusted based on the Bellows' normal consumption.


This Commission being otherwise sufficiently advised,

IT IS ORDERED that Kentucky-American adjust Bellows' bill for the period of October 5, 1992 through January 6, 1993 based on her average quarterly consumption during her period of residence at her current address.

Done at Frankfort, Kentucky, this 12th day of October, 1993.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director